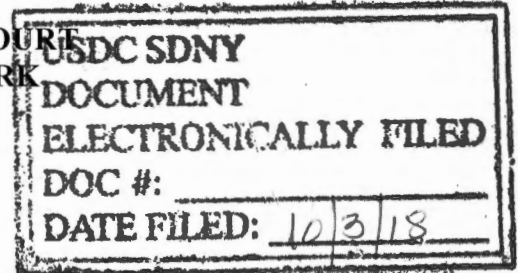


IN THE UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK



Leber, et al.,

Plaintiffs,

vs.

*The Citigroup 401(k) Plan Investment
Committee, et al.,*

Defendants.

Civ. A. No. 07-cv-9329-SHS

**ORDER GRANTING PRELIMINARY APPROVAL
OF PROPOSED CLASS ACTION SETTLEMENT**

This action involves claims for alleged violations of the Employee Retirement Income Security Act of 1974, as amended, 29 U.S.C. §§ 1001 *et seq.* (“ERISA”). Plaintiffs claim that Defendants breached their fiduciary duties and engaged in self-dealing under ERISA by favoring for the Citigroup 401(k) Plan (the “Plan”) certain investment options managed by affiliates of Citigroup. Defendants deny all allegations that they breached their duties to the Plan and its participants. The parties have reached a proposed Settlement. The terms of the Settlement are set out in a Stipulation of Settlement and Release of Claims executed by Class Counsel and Defendants’ Counsel on August 1, 2018 (the “Settlement Agreement”).¹

The Court has preliminarily considered the proposed Settlement Agreement to determine, among other things, whether it is sufficient to warrant the issuance of notice to Class Members. Upon reviewing the Settlement Agreement, it is hereby ORDERED, ADJUDGED, AND DECREED as follows:

¹ Capitalized terms not otherwise defined in this Order shall have the same meaning ascribed to them in the Settlement Agreement.

1. **Preliminary Findings Regarding Proposed Settlement Agreement.** The Court preliminarily finds that: (a) the proposed Settlement resulted from arm's-length negotiations; (b) the Settlement Agreement was executed only after Class Counsel had conducted appropriate investigation and discovery regarding the strengths and weaknesses of Plaintiffs' claims and Defendants' defenses to Plaintiffs' claims; and (c) the proposed Settlement is sufficiently fair, reasonable, and adequate to warrant sending notice of the proposed Settlement to Class Members. Having considered the essential terms of the proposed Settlement Agreement under the recommended standards for preliminary approval of settlements as set forth in relevant jurisprudence, the Court finds that those whose claims would be settled, compromised, dismissed, and/or released pursuant to the proposed Settlement should be given notice and an opportunity to be heard regarding final approval of the proposed settlement.

2. **Fairness Hearing.** A hearing is scheduled for _____, 2018 at _____ .m. (the "Fairness Hearing") to determine among other things:

- a. Whether the proposed Settlement warrants final approval as fair, reasonable and adequate;
- b. Whether the Action should be dismissed with prejudice pursuant to the terms of the Settlement Agreement, thereby permanently barring and enjoining all Class Members from commencing, instituting or prosecuting any action or other proceeding in any forum, or asserting any Released Claims against any of the Released Settling Parties (as defined in the Settlement Agreement);
- c. Whether Class Counsel adequately represented the Class for purposes of entering into and implementing the Settlement;
- d. Whether the proposed allocation and distribution of the Settlement Amount should be approved; and

- e. Whether the application for Attorneys' Fees and Costs and the Service Awards to Class Representatives are fair and reasonable and should be approved.

3. **Settlement Administrator.** The Court hereby approves the selection of Epiq Class Action & Claims Solutions, Inc., 10300 SW Allen Blvd, Beaverton, OR 97005, as the Settlement Administrator.

4. **Form of Class Notice.** The parties have presented to the Court a proposed notice to be sent via first-class mail, postage prepaid, and published on the internet (the "Class Settlement Notice"; Exhibit 1 to this Order). Class Counsel will post the Class Settlement Notice and the Settlement Agreement on the website www.citi401ksettlement.com. The Court hereby approves, as to form and content, the proposed Class Settlement Notice. The Court finds that such form fairly and adequately: (a) describes the terms and effect of the proposed Settlement and the plan of allocation and distribution; (b) notifies Class Members that Class Counsel will seek approval of Attorneys' Fees and Costs to be paid from the Settlement Amount, and for a Case Contribution Award for each Class Representative for her service in such capacity; (c) gives notice to Class Members of the time and place of the Fairness Hearing; and (d) describes how the recipients of the Class Settlement Notice may object to the proposed Settlement.

5. **Manner of Class Notice.** The parties have proposed the following manner of communicating notice to the Class Members, and the Court finds that such proposed manner is reasonable and constitutes due, adequate, and sufficient notice to all persons entitled to notice and meets all applicable requirements of the Federal Rules of Civil Procedure and any other applicable law. Accordingly, the Court directs that:

- a. Within ten (10) days after entry of this Order, Defendants shall identify and provide to the Settlement Administrator, as are reasonably available to Defendants through Defendants' current records, the names of Plan Participants

during the period October 18, 2001 to December 1, 2005,² and their last known addresses and e-mail addresses if available. Such provision to the Settlement Administrator shall be in electronic format (e.g., in spreadsheet or database format). Such information shall be used exclusively and solely for purposes of providing notice and administering and distributing the Settlement Payment.

- b. Within thirty (30) days after entry of this Order, the Settlement Administrator will cause the Class Settlement Notice to be emailed to the email addresses provided.
- c. Within forty (40) days after entry of this Order, the Settlement Administrator will cause the Class Settlement Notice, with such non-substantive modifications thereto as may be agreed upon by the parties, to be mailed, by first-class mail, postage prepaid, to the last known address of each Class Member who can be identified by reasonable effort except that the Settlement Administrator need not send mailed notice for those Class Members who were sent e-mail notice provided the Settlement Administrator has verified the e-mail was received.
- d. Within thirty (30) days after entry of this Order, Class Counsel shall post the Class Settlement Notice with such non-substantive modifications thereto as may be agreed upon by the parties, the Settlement Agreement, and this Order on the website, www.citi401ksettlement.com.com.
- e. On or before twenty-one (21) days before the Fairness Hearing, Class Counsel shall file with the Court proof of timely compliance with the foregoing mailing and publication requirements.

² The identification of Plan participants during the relevant period will rely in part on work the Settlement Administrator has proposed to perform, under mutually agreeable terms with Citigroup, to extract information from quarterly Citigroup 401(k) Plan statements maintained by Citigroup as PDF files.

6. **Notice and Administration Expenses.** The expenses of printing, mailing, and publishing all notices required hereby and expenses of otherwise administering the proposed Settlement shall be paid from the Settlement Amount, as indicated in the Settlement Agreement.

7. **Objections to the Settlement.** The Court will consider written comments or objections to the proposed Settlement, to the proposed award of Attorneys' Fees and Costs, or to the request for a Service Award for the Class Representatives only if such written comments or objections are filed with the Clerk of Court on or before twenty-one (21) days before the Fairness Hearing, comply with the requirements of Paragraph 11 below, and are served on the parties at the following addresses:

For Filing with the Court:

Re: Case No. 15-cv-08040 (PKC)

Clerk of Clerk

U.S. District Court for the Southern District of New York

Daniel Patrick Moynihan United States Courthouse

500 Pearl Street

New York, NY 10007-1312

To Class Counsel:

James A. Moore

MCTIGUE LAW LLP

Suite 300

4530 Wisconsin Avenue, N.W.

Washington, DC 20016

Gregory Y. Porter

BAILEY & GLASSER LLP

910 17th Street, NW

Washington, DC 20006

To Defendants' Counsel:

Lewis R. Clayton

PAUL, WEISS, RIFKIND, WHARTON & GARRISON LLP

1285 Avenue of the Americas

New York, NY 10019

8. The Court will only consider written comments and objections to the Settlement that are signed by the Class Member and are timely filed with the Court and include all of the following: (i) the case name and number of this lawsuit, which is *Leber, et al. v. The Citigroup 401(k) Plan Investment Committee, et. al*, Case No. 07-cv-9329 (SHS) (S.D.N.Y.); (ii) the objecting Class Member's name, current address, telephone number and signature; (iii) a statement confirming that he or she is a Class Member and an explanation of the basis upon which he or she claims to be a Class Member; and (iv) the specific objection(s) that he or she is making and an explanation for the objection(s). Any Class Member or other person who does not timely file and serve a written objection complying with the terms of this paragraph shall be deemed to have waived, and shall be foreclosed from raising, any objection to the proposed Settlement, including any right to appeal. Defendants' Counsel and Class Counsel shall promptly furnish each other with copies of any and all objections that come into their possession.

9. **Motion for Final Approval.** Plaintiffs shall file and serve a motion for final approval of the proposed Settlement and papers in support thereof, Class Counsel's applications for Attorneys' Fees and Costs, and the Case Contribution Awards to the Class Representatives no later than fourteen (14) days before the Fairness Hearing. If the Court grants final approval of the Settlement and enters the Final Order and Judgment, all Class Members shall be bound by the Final Order and Judgment.

10. **Termination of Settlement.** This Order shall become null and void, *ab initio*, and shall be without prejudice to the rights of the parties, all of whom shall be restored to their respective positions as of the day immediately before the parties executed the Settlement Agreement, if the settlement is terminated in accordance with the terms of the Settlement Agreement. The parties shall promptly provide notice to the Court if the Settlement Agreement is terminated.

11. **Use of Order.** This Order is not admissible as evidence for any purpose against any party to this litigation in any pending or future litigation. This Order shall not be construed or used as an admission, concession, or declaration by or against Defendants of any fault, wrongdoing, breach, or liability, and Defendants specifically deny any such fault, breach, liability, or wrongdoing. This Order shall not be construed or used as an admission, concession, or declaration by or against Plaintiffs or the Class that their claims lack merit or that the relief requested in the action is inappropriate, improper, or unavailable. This Order shall not be construed or used as an admission, concession, declaration, or waiver by any party of any arguments, defenses, or claims he, she, or it may have, including, but not limited to, any objections by Defendants to class certification, in the event that the Settlement Agreement is terminated.

12. **Jurisdiction.** The Court retains jurisdiction for purposes of implementing the proposed Settlement and reserves the power to enter additional orders to effectuate the fair and orderly administration and consummation of the settlement as may from time to time be appropriate, and to resolve any and all disputes arising thereunder.

13. **Continuance of Fairness Hearing.** The Court reserves the right to continue the Fairness Hearing without further mailed or published notice to Class Members.

14. **Schedule.** The Court enters the following schedule for class notice, objections, briefing, and the Fairness Hearing:

Event	Deadline
Defendants' Provision of Class Member Information to Settlement Administrator	October 12, 2018
E-mailing of Class Settlement Notice	November 2, 2018
Posting of Class Settlement Notice on Website	November 3, 2018

Initial Mailing of Class Settlement Notice	November 12, 2018
File Application for Attorneys' Fees and Costs and Case Contribution Awards for Class Representatives	November 2, 2018
File Objections	December 13, 2018
File Proof of Mailing of Notice	December 13, 2018
File Motion for Final Approval	December 20, 2018
Fairness Hearing	January 3, 2019, at 9:30 a.m.

SO ORDERED this the 3rd day of October, 2018.


 SIDNEY H. STEIN
 UNITED STATES DISTRICT JUDGE